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ATTORNEY FOR PROPEL FINANCIAL SERVICES, LLC AS AGENT AND ATTORNEY IN FACT FOR PROPEL FUNDING NATIONAL 1, LLC

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS FORT WORTH DIVISION

IN RE:	§	
	§	
STEVEN MICHAEL DAVIS II	§	<b>CASE NO. 17-41860</b>
	§	
	§	
Debtor	§	

## MOTION TO CONFIRM AUTOMATIC STAY DOES NOT APPLY TO CERTAIN REAL PROPERTY

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT ELDON B. MAHON U.S. COURTHOUSE, 501 W. 10<sup>TH</sup> STREET, FORT WORTH, TEXAS 76102 BEFORE CLOSE OF BUSINESS ON OCTOBER 9, 2017 WHICH IS AT LEAST 24 DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK, AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING MAY BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

# TO THE HONORABLE RUSSELL F. NELMS UNITED STATES BANKRUPTCY JUDGE:

Propel Financial Services, LLC, as agent and attorney-in-fact for Propel Funding National 1, LLC ("Movant"), creditor of 9632 Minton Trust, Jeffrey D. Gibson and JM Gibson Properties, LLC, files this Motion to Confirm Automatic Stay Does Not Apply to Certain Real Property (the "Motion"), and states:

- 1. Movant is a limited liability company organized under the laws of the State of Texas.
- 2. On May 1, 2017, Steven Michael Davis II (the "<u>Debtor</u>") commenced his Chapter 11 case.
- 3. The Court has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157, 1334. The Motion presents a core proceeding pursuant to 28 U.S.C. § 157(B)(2)(A), (G) and (O).
  - 4. The statutory predicate for the relief requested in this Motion is 11 U.S.C. § 362.
- 5. Movant is the owner and holder of that certain Promissory Note-Tax Lien, dated February 15, 2010, executed by Jeffrey D. Gibson, as Member of JM Gibson Properties, LLC, Trustee of 9632 Minton Trust in the original principal amount of \$5,053.50 (the "2010 Note"). The 2010 Note is secured by that certain 2010 Deed of Trust, which granted Movant a first and senior lien on certain real property located at 9632 Minton Drive, Fort Worth, Texas (the "Property"), which was properly recorded in the Real Property Records for Tarrant County, Texas. Additionally, the 2010 Note is secured by tax liens transferred by the applicable taxing units in that certain Certified Statement of Transfer of Tax Lien (the "2010 TLT"). Copies of the 2010 Note, 2010 Deed of Trust and 2010 TLT are attached hereto as Exhibits "A", "B" and "C."
- 6. Movant is the owner and holder of that certain Property Tax Repayment Agreement, dated January 28, 2011, executed by Steven M. Davis, II, Manager, 9632 Minton Trust, by SMD 2 Enterprises, LLC, Trustee in the original principal amount of \$4,362.11 (the "2011 Note"). The 2011 Note is secured

by that certain 2011 Tax Lien Contract, which granted Movant a first and senior lien on the Property, which was properly recorded in the Real Property Records for Tarrant County, Texas. Additionally, the 2011 Note is secured by tax liens transferred by the applicable taxing units in that certain Certified Statement of Transfer of Tax Lien (the "2011 TLT"). Copies of the 2011Note, 2011 Tax Lien Contract and 2011 TLT are attached hereto as Exhibits "D", "E" and "F."

- March 6, 2012, executed by Steven M. Davis, II, Manager, 9632 Minton Trust, by SMD 2 Enterprises, LLC, Trustee in the original principal amount of \$4,261.87 (the "2012 Note"). The 2012 Note is secured by that certain 2012 Tax Lien Contract, which granted Movant a first and senior lien on the Property, which was properly recorded in the Real Property Records for Tarrant County, Texas. Additionally, the 2012 Note is secured by tax liens transferred by the applicable taxing units in that certain Certified Statement of Transfer of Tax Lien (the "2012 TLT"). Copies of the 2012 Note, 2012 Deed of Trust and 2012 TLT are attached hereto as Exhibits "G", "H" and "I."
- 8. When the 2010 Note, 2011 Note and 2012 Note were executed, the Property securing the notes was held in the name of 9632 Minton Trust. Subsequent to the execution of the notes and without the consent of the Movant, 9632 Minton Trust transferred title to the Property to Taneisha Penny and Broderick Hill by Special Warranty Deed, a true and correct copy of which is attached hereto as Exhibit "J." 9632 Minton Trust, Taneisha Penny nor Broderick Hill is a debtor before this Court. The Debtor purports to have a "equitable interest" in the Property, notwithstanding the fact that the Debtor never held title in his name and the 9632 Minton Trust conveyed title to the Property prior to the Petition Date.

<sup>&</sup>lt;sup>1</sup> On July 5, 2017, the Debtor amended his petition to list 9632 Minton Trust as a "business name" of the Debtor.

Section 362 of the Bankruptcy Code does not apply to the Property and that Movant is allowed to exercise its rights and remedies under the 2010 Deed of Trust, 2011 Tax Lien Contract, 2012 Tax Lien

Movant requests that the Court enter an order providing that the automatic stay under

Contract and state law, including, but not limited to, taking all steps to foreclose its interest in the

Property.

9.

10. Movant has incurred fees of \$450 plus actual expenses of \$250 in connection with this

Motion.

11. Movant requests that the Court direct that the fourteen (14) day stay period otherwise

imposed by Fed. R. Bankr. P. 4001(3) not be applicable to the relief requested in this Motion

WHEREFORE, PREMISES CONSIDERED, Movant requests that, after notice as required by

law, the Court enter an order providing that the automatic stay provided in 11 U.S.C. § 362 does not

apply to the Property and to permit Movant to exercise its remedies under the 2010 Deed of Trust, 2011

Tax Lien Contract, 2012 Tax Lien Contract and Texas law against the Property, and that the Court grant

Movant such other and further relief, at law and in equity, as is just.

Respectfully submitted on September 14, 2017.

/s/ Howard Marc Spector

**Howard Marc Spector** State Bar No. 00785023

Nathan M. Johnson

State Bar No. 00787779

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ATTORNEY FOR MOVANT

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#### **CERTIFICATE OF CONFERENCE**

I certify that on September 14, 2017, a representative for undersigned counsel conferred with Debtors' counsel, Sarah Cox regarding the relief requested in the foregoing Motion. Ms. Cox advised that the Debtor is opposed to the relief requested. Accordingly, a hearing is necessary.

/s/ Howard Marc Spector
Howard Marc Spector

### **CERTIFICATE OF SERVICE**

The undersigned certifies that on September 14, 2017 a copy of the Motion (without exhibits) was served via U.S. first-class mail upon all counsel of record and parties listed on the attached service list. Exhibits will be provided to parties upon request.

/s/ Howard Marc Spector
Howard Marc Spector